

**CITY OF NEWBERG COUNCIL MINUTES**  
**MARCH 19, 2012**  
**7:00 P.M. MEETING**  
**PUBLIC SAFETY BUILDING TRAINING ROOM (401 EAST THIRD STREET)**

A work session was held prior to the meeting. An update from the fire department on ambulances and a presentation from Comcast Cable were given. All Councilors and the Mayor were present; no action was taken and no decisions were made.

**I. CALL MEETING TO ORDER**

Mayor Bob Andrews called the meeting to order at 7:01 PM.

**II. ROLL CALL**

**Members**

Present:	Mayor Bob Andrews	Denise Bacon	Stephen McKinney	Bart Rierson
	Marc Shelton	Wade Witherspoon	Ryan Howard	

**Staff**

Present:	Daniel Danicic, City Manager	Terry Mahr, City Attorney
	Barton Brierley, Planning and Building Director	Norma I. Alley, City Recorder
	David Beam, Economic Development Coordinator	Jennifer Nelson, Deputy City Recorder

**Others**

Present: Leah Lockwood, Mike Gougler, Dennis W. Gaibler, Wes Beecroft, Cathy Stuhr, Curtis Walker, Kathleen Carl, Lolita Carl, Sid Friedman, Mia Nelson, Ilsa Perse, Lee Does, Dorothy Roholt, Tony Rourke, and Chuck Zickefoose

**III. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was performed.

**IV. SPECIAL PRESENTATIONS**

Consider a motion approving a proclamation declaring March 26-31, 2012, as Carnegie Library Week.

<p><b>MOTION:</b> Rierson/McKinney approving a proclamation declaring March 26-31, 2012, as Carnegie Library Week. Motion carried (7 Yes/0 No).</p>
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**V. CITY MANAGER'S REPORT**

Mr. Daniel Danicic, City Manager, reported that Representative Kim Thatcher will be holding a Town Hall event at Avamere (Foothills Drive and College Street) on Wednesday, March 21, 2012, at 6:00 PM.

**VI. PUBLIC COMMENTS**

Ms. Leah Lockwood, Lockwood Design/Build, Inc., stated she recently sent a letter to council regarding the townhouse style apartment complex she and her husband are building on Church Street and a request to consider reducing and delaying payments for System Development Charges (SDC) and reducing payment for the building permit, which has already been paid. Her concerns are outlined in her letter, but the main concern is the valuation of construction costs for the project. She explained how they first budgeted one million dollars

with the highest estimate being \$1.1 million, then planning staff came up with \$1.3 million which they thought was high but reasonable. They submitted the \$1.3 million figure to the bank and based all their permit fees and SDCs on this information. Over the course of the next year working with the planning department and the building permit process there were two additional increases because of the State of Oregon's construction cost per square foot price and the city's 8% increase. She asked several times for an estimate of what the real costs were going to be as a result of these increases and was told that was not calculated until the end when the permit is issued. She did not receive a written estimate until the bank was ready to pull their money which was assessed at \$2.4 million. She said this figure was absurd and there is no way anyone would spend that on an apartment complex especially when the land has not been taken into consideration here. She said they had \$200,000.00 budgeted for SDCs and they are now looking at \$270,000.00 along with some other charges for heating, ventilation, and air-conditioning (HVAC) and electrical. In summary they are way over budget and disappointed with the way the process went. They understand planning is understaffed and a little disorganized, however, they are moving forward with good faith effort for a good development and nice housing for the City of Newberg, half of which would be considered low income. She is asking for a reduction and deferral of the balance of the SDCs and a reduction and credit of the building permit fees, which they had to pay or risk shutting the project down.

Councilor Denise Bacon asked when she wanted the delay to go to. Mrs. Lockwood stated they want the SDCs deferred to ninety (90) days after the certificate of occupancy so they can roll it over to more permanent financing or they will have to put it up for sale to pay the SDCs.

Councilor Bart Rierson asked staff why or how a building structure valuation can go from \$1.2 to \$2.4 million. Mr. Barton Brierley, Planning and Building Director, replied building permits are based on a valuation table given by the State and they have to use that; it is based on square footage, the type of construction, and the valuation table. The table even notes this may or may not relate to the actual construction costs. Councilor Rierson asked about a question in the letter regarding the square footage including garages, porches, decks, interior/exterior walls, atrium and space above the stairs that cannot actually be used in the home. He said he is struggling to put together how a complex's construction costs can be \$1.2 million with \$270,000.00 of that in fees, which is a fifth of the costs. Mr. Brierley clarified they did not count the atriums and area above the stairs, but they did include the area under the stairs which is usually a closet. He said the definition of gross square footage is in the building code and that is the definition we used; they worked strictly out of the building code. Councilor Rierson expressed concern for budgeting processes because it is important to know what building fees would be and they may not have been accurately communicated.

Councilor Marc Shelton stated in looking at Ordinance No. 2012-2750 in the notes on page 15 there is mention of one project currently in a 90 day deferral and asked staff if this is that project. Mr. Brierley replied yes. Councilor Shelton mentioned a point of order and questioned if they are actually discussing something on the agenda this evening. Mayor Andrews stated the developer came asking for a deferral outside of the action that will be taken tonight, so it is exclusive. Councilor Shelton stated there will be some action taken tonight that might give resolution to this issue.

## VII. CONSENT CALENDAR

1. Consider a motion approving **Resolution No. 2012-2993** approving City Attorney Terrence Mahr's annual evaluation.
2. Consider a motion approving the February 21, 2012, City Council meeting minutes.

**MOTION:** Rierson/Shelton approving the Consent Calendar including **Resolution No. 2012-2993** and the City Council minutes from February 21, 2012, as amended. Motion carried (7 Yes/0 No).

## VIII. PUBLIC HEARINGS

1. Consider a motion approving **Ordinance No. 2012-2750** deferring the collection of System Development Charges for affordable housing projects.

TIME – 7:20 PM

Mayor Andrews introduced the item as a legislative hearing in its second reading and said as they previously called for any conflicts of interests or abstentions at the first reading and none were mentioned, they will continue with deliberations. He mentioned they had allowed the record to remain open for seven days to accept written testimony only, none was received during that time; however, one item was received after the seven days and it would be up to council to accept it or not.

Councilor Shelton stated they announced at the first reading what the deadline was with a date specific and they should adhere to that.

**MOTION:** **Shelton/Witherspoon** to not accept the late written testimony received after the deadline. Motion carried (7 Yes/0 No).

Mr. Brierley presented the staff report and recommended adoption (see official meeting packet for full report).

Mayor Andrews asked for further explanation of page 16, paragraph seven, about staff not recommending SDC deferrals for any projects other than affordable housing. Mr. Brierley explained when fees are deferred it is to benefit the developer and give them incentive to encourage the type of project that may not happen otherwise. The Affordable Housing Action Committee discussed applying this program to all development but felt it would be a stumbling block with extra administrative efforts to collect the deferred monies at the certificate of occupancy phase. There is also the issue of funding for projects; the SDCs go into funds for capacity increasing projects, and the only reason fees were deferred in 2011 was because there were not any capital improvement projects (CIP) being built, so the SDC deferral impact was not felt as much. If only the affordable housing projects take advantage of this, than 5% or less of the overall projects will not have a big impact, but it does when adding more projects with deferrals. For those two reasons, staff recommended only doing this for affordable housing projects.

Councilor Wade Witherspoon said according to 13.05.096, it leaves the door open for an application process for deferral; he asked staff to elaborate on this because it says Council may allow deferrals upon application, but they do not know when applications are made. Mr. Brierley replied when a letter is written requesting a deferral the developer must show they meet the criteria and then it would be brought before the Council as an action item.

Councilor Shelton asked how this differs from 13.05.095 (C) with the city manager determining whether the project qualifies, and the applicant appealing the decision to the council. Mr. Brierley replied if it is an affordable housing project then the city manager would approve it and if it is a project other than affordable housing it would go to council. For affordable housing projects, only appeals on city manager decisions would come to council.

Councilor Wade Witherspoon asked for an example or reason why a developer would not apply for deferral. Mr. Brierley replied it is up to council but they will not all meet the criteria and would be advised that approval is unlikely. Mr. Brierley added the time it would take to come to council to go through the determination process may be a deterrent.

Mayor Andrews asked about page 15 and how low income households are defined since they do not have an index addressing this; he wished to have an establishing index included before final deliberations. He also

pointed out in the ordinance deferrals are only for the construction of a dwelling and asked staff if this limits deferrals to residential development only. Mr. Brierley stated 13.05.095 states this but 13.05.096 opens it up for council to approve deferrals for other projects if this is adopted.

Mayor Andrews asked what is referenced in 13.05.095 (B). He felt this leaves it open. He also pointed out the rate is identified in 13.05.095 (F) and suggested to cite 13.05.095 (C) to make it cleaner and have less places to make corrections.

Councilor Stephen McKinney also wondered about the definition of low income on page 15. He asked staff how many low income projects are currently in the works. Mr. Brierley said for affordable housing projects we have done the two Habitat for Humanity homes, some of the units in the apartment complex discussed tonight on Church Street may qualify, and a project on Meridian Heights that is coming in would be the only affordable housing projects in the works. Councilor McKinney felt this needed to be adequately defined in the resolution to be clear and added the council seems to agree they desire a level playing field for deferral applications to stimulate growth and help to create a more livable community. He did not think the recitals were adequate to vote on tonight but added the planning director and his staff are doing a great job with their current budget limitations.

Councilor Shelton asked staff in the case of the testimony received in public comments tonight, when the designs are put before you with half matching criteria for affordable housing and the other half not, how is this handled for deferring SDCs. Mr. Brierley said if the applicant demonstrates the information for how they are achieving this then it would be written into a contract with them to deliver that; it was purposefully left flexible because different projects can achieve this in different ways. The city manager can decide whether they meet the criteria or not.

Councilor Ryan Howard asked if there was a more objective standard for the definition of low income rather than less than 80% of median income. Mr. Brierley said this is what is commonly used, what is subjective is the area of median income because there are three different numbers for Newberg, Yamhill County, and Portland Metro. Councilor Howard asked how the amount is assessed from a person's income; staff replied 30% of the income is used for housing.

Mayor Andrews asked if staff was comfortable with the change from six to three months for deferral; staff replied yes. Mayor Andrews continued by agreeing with Councilor Rierson's displeasure with the process and the general consensus with the council leaning in a different direction for a proposal to include all residential construction. He said there are mechanisms to make this revenue neutral for administration costs and he felt this would still be advantageous as a mini-stimulus program.

Councilor Witherspoon said he was conflicted because he was hoping to see the ordinance move through, but he does not support it with the rewrites, especially with 13.05.096 to come before council. He did not want to look at every application that comes through and would rather see a deferral towards residential but open to all.

**MOTION: Witherspoon/McKinney** postponing deliberations on **Ordinance No. 2012-2750** deferring the collection of System Development Charges for affordable housing projects to a date uncertain.

**MOTION: Rierson/Andrews** amending the motion to postpone **Ordinance No. 2012-2750** providing staff with instructions and additional points for the ordinance to include all residential construction for low income; to make a program cost neutral so administrative costs and interest lost are covered by the fee the applicant chooses to pay upfront and to include an index similar to the Housing Authority of Yamhill County for lower income housing for reference. Motion carried (7 Yes/0 No).

**MOTION:** **Shelton/Rierson** amending the motion to postpone **Ordinance No. 2012-2750** to exclude 13.05.096 from consideration. Motion carried (7 Yes/0 No).

Councilor Shelton spoke of the motion before them as amended and the desire to not extend this out indefinitely. He suggested using 2012-2013 to establish a pilot program with follow-up to see how it affects city staff and to have a sunset clause as they did in 2011 for reconsideration.

**VOTE:** To postpone **Ordinance No. 2012-2750** as amended to a date uncertain. Motion carried (7 Yes/0 No).

2. Consider a motion approving **Ordinance No. 2012-2751** adopting revised findings for the South Industrial UGB amendment and revisions to the Economic Opportunities Analysis.

TIME – 8:05 PM

Mayor Andrews introduced the item as a legislative hearing in the first reading and called for any conflicts of interest or abstentions; none appeared.

Mr. Brierley presented the staff report with the use of a PowerPoint and recommended approval (see official meeting packet for full report).

Councilor Howard asked about a discrepancy in the employment projection at the end of 2010-2011. Mr. Brierley replied a large employer, SP Newsprint, is between the Urban Growth Boundary (UGB) and the city limits.

Mayor Andrews opened public testimony and started with **proponents**:

Mr. Dennis Gaibler said he grew up on sixty (60) of the acres intended to be included in the UGB and spoke of his support for industrial opportunities in the area so people can live and work in the same area. He encouraged council to consider whatever activity they have to promote the south industrial region and promote good solid employers in the area.

Mr. Mike Gougler spoke of the process beginning over ten years ago for a specific master plan for the 300 acres just south of Hwy 99 and east of Springbrook Road and the reasons behind designating 40 acres on the west side of the east branch as industrial because of the desired bypass plans. He said he worked on the ad-hoc committee for two years with limited public attendance until the results were published; then the outside input, warning, and threats started from a great number of people that did not have a “dog in the fight”. He said this ordinance makes sense and is the only way to take advantage of the access enabled by this development rather than become a service station along the road. He strongly advised the council to resist the kind of bullying accomplished by sending 500 pages of stuff that cannot be argued with because it does not flow with what is best for the future of Newberg.

Mr. Wes Beecroft said he supports the UGB expansion as he works for an industrial company, Climax, and this has an impact on the people who work there who want to live and shop here, too. He said it is good for all involved from manufacturing to agriculture. He said he was born and raised here and came back to Newberg because they had the industry to support him; he said it may not be fancy like wine, but it brings in a lot of people from all over the world too. He is happy he can leave work to see his sons play at lunch time and says you cannot put a price on that.

Ms. Cathy Stuhr said many have been working on the foundation and planning of this expansion since 2003 and it is now time to adopt this legislation and stop readjusting the bar. They cannot plan every time something changes and asked there be a stop with the delay tactics to get on with Newberg’s future. The majority of the

community shares in this decision and we are not seeing all the people who support it because they expect it to happen. This is the best option and location and no other city had done such a great job vetting where this should go. It is reasonable and moderate and essential to the vitality and longevity of this community. She urged council to support this.

Mr. Curtis Walker said as a Newberg resident, builder and developer he is in favor of this and encouraged council to vote to approve it. He said now is the time to get land zoned and shovel ready for industry and business to locate here, because those looking for places that want to start now cannot take two to three years for approval. He said as the economy improves, those who have the ability will want to expand and improve in this new area and we need to be competitive with land available for purchase and development. Our community desires the opportunity to work where we live and we do not want to be a bedroom community. We must be prepared to create new jobs; our location is very attractive with a university, golf course, hospital, airport, cultural center, dental equipment business, destination resort and wine industry already here. We can and will attract industrial business, so let's be ready.

### **Opponents:**

Ms. Kathleen Carl said she was in opposition to the size of this UGB as a member of the Marion county farm bureau. She said that farming is an important and economically productive industry and no one will keep this land agriculturally productive when it becomes part of the UGB. She said it is important and they need to keep agriculture that attracts people too and she asked to limit this UGB.

Ms. Lolita Carl said she is a full time farmer from Marion County and is on the Oregon Farm Bureaus Advisory Committee but speaking for herself. She and her fellow farmers are concerned for this UGB expansion towards St. Paul because it impacts moving farm equipment around, increases traffic, and negatively affect the French Prairie farmers. There has been too little consideration of this land for its agricultural productivity being #2 in Oregon for the top farm land in the State. As population grows and energy costs increase we need land to sustain our most primary needs year after year and generation after generation.

Mr. Sid Friedman, 1,000 Friends of Oregon, said he did not expect to be here again to testify on the same UGB proposal as the one before you a year ago. He spoke of Newberg using three different population projections and still saying the same 260 acres needs to be brought in regardless. He said his concerns have been repeatedly glossed over by staff, the Land Use Board of Appeals (LUBA) has proved 1,000 Friends right, and instead of waiting for the County to finish the city is just moving ahead. He spoke of the expenses of extending city services beyond the urban fringe and the collection of SDCs for urban renewal even if development does not happen. He said the Economic Opportunities Analysis (EOA) is not complete; this does not comply with State planning rules and does not make sense. He said they need to look at the whole picture for a rational proposal to identify all the commercial land available and the city has spent time, money and effort changing rationale for a predetermined conclusion; it does not have to be all or nothing.

Ms. Mia Nelson, 1,000 Friends of Oregon, said we have been at this a long time and still debating the forecast with nothing being accomplished. She agreed the city needs to look for industrial land supply but they are doing it the wrong way by paving over farmland. She said The Newberg Graphic printed that people value farmlands and predicted they will come away empty as this proposal is not a real option. She asked for open minds to look for better options that may not be exactly what they want. She said Newberg is the only city that is fighting with their group while others are cooperating. She is willing to work very hard to look at the options Newberg can actually get.

Councilor Rierson asked about comments that the population estimate is illegal. Ms. Nelson said since the employment forecast has not changed, that is the part that is illegal because they are planning for the same amount of employment for a city that is not going to grow as much.

Councilor Shelton asked if the only option is for the City to work with the 1000 Friends of Oregon. Ms. Nelson said it is not the only option, but for this to succeed they need to be in concert; it is just an offer to discuss the problems they see and some alternatives instead of having multiple runs at this that gets shot down.

Councilor Howard asked about her alternatives and if they were the ones provided in section ten of their letter. Ms. Nelson said the thing to do is look at all the places besides prime farmland even though farmland is the easiest because it is flat and well-drained. She said it may be more challenging to fit development into already developed areas but it seems great if farmland is preserved. She said the Oregon system forces cities to do what is harder but it may not be as bad as you think.

Ms. Ilsa Perse said she is from Carlton and the whole world is flocking to buy farmland, because we need it to grow food and there is concern this is shortsighted when the production of food will be really important down the road. She said when food growing can be made available locally there are important jobs and lots of land in Newberg that can support this kind of industrial growth. She is not opposed to industrial growth, as she started her own publishing company; she likes business and growing businesses and appreciates Newberg wants to continue, but she warned them to look in McMinnville's industrial area at all the vacant lots looking for business and trying to find people to come. It's not quite as easy as the whole "build it and they will come" idea, because it paves over farmland and we all will be caught when we do not have industry or the ability to grow food.

Mr. Lee Does said he has also been a part of this process for more than ten years and is opposed to and frustrated with city staff's ongoing request to bring 260 acres of high quality farmland into the UGB. He and his wife, Amy, have a keen interest in protecting farmland. They do not object to employment and growth opportunities, but must object while existing employment sites are available and continue to be. Class one and two soils are the best there is and primary reason agriculture is the leading industry in Yamhill County, and the State says you cannot take it until you use up the other options. He spoke of volumes of industrial sites in Newberg, Sherwood and Tualatin still vacant while they still want to pave more farmland. He said the proposal remains unchanged despite the arguments and said they should focus on finding tenants of underutilized lands instead of wasting time on this.

Ms. Dorothy Roholt said this is the same cast and characters and it just goes on and on. If this proposal went through and is built up with a thriving commercial area there are major concerns for those driving around here with already overcrowded highways and she asked why they do not consider building on existing UGB rather than expanding. She said some may see public input as bullying, but felt it is vital to what is going on.

Ms. Norma Alley, City Recorder, presented correspondence received after the 5:00 PM deadline last Thursday for council consideration. Mr. Terry Mahr, City Attorney, stated the council does not have a choice about accepting the material as that is the purpose of the first reading and the testimony was opened this evening.

**MOTION: McKinney/Bacon** accepting the written testimony received. Motion carried (7 Yes/0 No).

Mr. Brierley added there is an agricultural producer in this area who would like to be included in the UGB to have water and sewer services provided. He agreed it is important to support agriculture and to have an adequate UGB; they have worked closely with the Department of Land Conservation and Development (DLCD) and part of their role is to both conserve and develop, so there is a balance. This has been reviewed carefully by DLCD's staff director and no indication was given that it is not 100% compliant with the statewide planning rules and goals. He recommended adoption of the ordinance.

Mayor Andrews closed the public hearing until the second reading at the April 2, 2012, meeting, allowing the record to remain open for seven days to accept further written testimony only.

Mayor Andrews recessed at 9:27 PM and reconvened at 9:34 PM.

3. Consider a motion approving **Resolution No. 2012-2994** adopting new monthly water rates effective January 1, 2013.

TIME – 9:34 PM

Mr. Danicic presented the staff report with the use of a PowerPoint (see official meeting packet for full report).

Councilor McKinney asked if stormwater has the greatest level of catch-up because it has been on the back burner. Staff agreed it has been a secondary activity in the public works program and they are now playing catch-up with the water quality regulations, specifically in stormwater.

Councilor Shelton asked if the contingency needed to be that large. Staff replied it is important in the case of stormwater because unlike wastewater and water there is not a separate reserve fund; they must carry all the reserves in this fund and the entire contingency opposed to the replacement reserves, which provides the greatest flexibility.

Councilor McKinney asked if the contingency is not used does it alleviate the pressure on the following years. Staff replied it carries forward from year to year as long as they are available for unanticipated needs.

Councilor Rierson asked if this was an appropriate way to manage the fund. Staff replied it is because ideally you look to have three months of operating costs in reserve, so you need a good million dollars just for that.

Councilor McKinney asked if they can still use contingency monies for transfer of debt with SDC deferrals exacerbating the problem. Mr. Danicic said not to eliminate it; instead postpone collection and they could use contingency to pay for debt, but they need the overall fund to balance.

Councilor Rierson questioned the consumption comparison with fixed versus volume. Staff said for the proposed rates, experiences may be varied for those using less water.

Councilor Shelton asked what if the rates were flat for two years, would we see an increase or does it give time to see the usage. Mr. Danicic replied pushing it off would require double digit rate increases; staff cut back a lot and flattened as much as possible.

Councilor Howard was concerned about changing the methodology, because they are getting away from encouraging conservation; although there are increases in the five year plan they are not sufficient to keep enough in reserves for contingency and normal replacement of the system. He said by not increasing to a sustainable rate they are pushing off the costs into the future, which will be financed or will create huge increases. Mr. Danicic stated moving from fixed allocation does not entirely change the conservation incentive because it still has 80% based on volume; he agreed it may not be ideal and the Citizens' Rate Review Committee (CRRC) would like to do more, but it is a political decision after many years of significant rate increases to ease off without heading to catastrophe. He believed they could handle two more years of reduced rate increases, but assured they will be going back up again.

Mayor Andrews opened public testimony:

Mr. Tony Rourke, CRRC Chair, said he was present to show support for the process and he agrees with Councilor Howard this is not adequate to fund the system going forward. He said they dug themselves a hole in the 1990's and have been trying to climb out over the last ten years, but cannot get out fast enough. He said this will delay the need to put more funds in the system and spoke of the significant debt to finance \$40 million that needs to be put into the wastewater treatment plant. He said there have been significant cuts made already and they were tasked to find as much money as possible without cutting staff. It was a choice for how the economy



is now with a hope of improvement and growth to mitigate the double digit increases that were not popular over the last two years.

Mr. Chuck Zickefoose, CRRC, said the last six years and three cycles have been the most difficult. It is always a push to keep up with infrastructure needs and they recognize it will cost more in the future after ten years of flat rates. He said it is going to be easier this year but warned the years to come will take their toll. He commended staff, the consultant Ms. Deb Galardi, all of the CRRC, and the Mayor for the work done. He encouraged them to pass the proposed rates keeping in mind what the future holds.

Mayor Andrews closed the public testimony.

**MOTION:** **Rierson/Shelton** to postpone **Resolution No. 2012-2994** adopting new monthly water rates; **Resolution No. 2012-2996** adopting new monthly stormwater rates; and **Resolution No. 2012-2996** adopting new monthly stormwater rates, all effective January 1, 2013, to the June 18, 2012, City Council meeting. Motion carried (7 Yes/0 No).

4. Consider a motion approving **Resolution No. 2012-2995** adopting new monthly wastewater rates effective January 1, 2013.

Decision tabled until June 18, 2012, according to the motion above.

5. Consider a motion approving **Resolution No. 2012-2996** adopting new monthly stormwater rates effective January 1, 2013.

Decision tabled until June 18, 2012, according to the motion above.

## **IX. NEW BUSINESS**

Consider a motion approving **Resolution No. 2012-2988** establishing policies and procedures for administration of the Affordable Housing Trust Fund Bylaws.

TIME – 10:35 PM

Mayor Andrews passed the roving gavel to Councilor Denise Bacon who introduced the resolution and called for any conflicts of interest or abstentions; none appeared.

Mr. David Beam, Economic Development Coordinator, presented the staff report and pointed out staff changes (see official meeting packet for full report).

Mayor Andrews asked about the \$70,000.00 being a dedicated fund to the Housing Authority of Yamhill County. Staff said it is a dedicated line item for housing rehabilitation and the Economic Development Loan Fund on line 18 is separate.

Councilor Rierson discussed funding mechanisms and postponing SDCs for possible savings to developers as a potential mechanism to cover administrative costs and maybe even encourage contributions to this fund as a way to take advantage of delayed payments. He said he would also like to see the finance changes made before approving this.

Mayor Andrews reviewed several scribes' errors within the document with staff and worked through suggested changes. He spoke about page 457 and the income not exceeding 100%, but the established standard for affordable housing is less than 100%; he suggested citing the index and being consistent. He asked for clarification on receiving subsidies on 3.3; staff replied they are talking about other sources and not the trust

fund. On page 461, 3.5h with providing rental assistance he asked if that is through YCAP or are we doing our own; staff replied it is supplemental, we are not taking over what they are doing, but filling the gap for what they are not providing at this time. In regards to 5.7 Mayor Andrews wished to know if the commission was meeting once a year; staff replied they would not meet more than once a year to do the Request for Proposal (RFP) but they will meet more than that if needed. Mr. Brierley added the code does address and define moderate, low and very low income and the 100% or less; Mayor Andrews said he would encourage more consistency with the references.

Mayor Andrews opened and closed the public testimony. Staff recommended adoption with the discussed changes and amendments.

**MOTION: Howard/Rierson** approving **Resolution No. 2012-2988** establishing policies and procedures for administration of the Affordable Housing Trust Fund Bylaws with the changes.

Councilor Rierson said what was presented is sloppy but we know what we are looking at even through the scriveners' errors; he said this supports the council goals, he is comfortable with the changes and he does not feel the need to delay this for clerical changes; he supports the action.

Councilor McKinney said he cannot support this as presented, because the public has not seen all of this regardless if there are scriveners' errors or not. He did not feel staff is equipped to undertake the assistance agency this creates and did not feel it is consistent with council goals.

Mayor Andrews also did not support the resolution and would like to have a clean copy. He had concerns with some of the changes and without the benefit of community input he wished to override the motion to approve with a motion to table.

**MOTION: Andrews/McKinney** to postpone **Resolution No. 2012-2988** establishing policies and procedures for administration of the Affordable Housing Trust Fund Bylaws to the April 16, 2012, meeting. Motion carried (7 Yes/0 No).

## **X. COUNCIL BUSINESS**

TIME – 11:26 PM

Mr. Danicic asked for direction from council for Mrs. Lockwood's request made during public comments this evening for a waiver or reduction of fees.

**MOTION: Rierson/Shelton** to add an additional 90 day deferral and a recalculation of the fees by staff. Motion carried (7 Yes/0 No).

## **XI. ADJOURNMENT**

The meeting adjourned at 11:34 PM.

**ADOPTED** by the Newberg City Council this 16<sup>th</sup> day of April, 2012.

  
Norma I. Alley, City Recorder

**ATTEST** by the Council President this 19<sup>th</sup> day of April, 2012.

  
Denise Bacon, Council President